

16. REMUNERATION REPORT

This remuneration report was drawn up in accordance with requirements of the engagement EU Directive on the encouragement of long-term shareholder engagement (SRD II) and Clause B.3.2. of the Cyprus Stock Exchange Corporate Governance Code.

Following the Clause B.2. of the Cyprus Stock Exchange Corporate Governance Code the level of remuneration of the members of the Board of Directors is sufficient to attract and retain the Directors to run the Company successfully but the Company avoids paying more than necessary for this purpose. The level of remuneration is adequate to the tasks and responsibilities delegated to individuals and corresponding accountability.

Astarta is interested to remunerate the Directors in a way that is in line with the market, considering the annual results of the Company and individual achievements, namely contribution of each Director to the development of the Company.

In 2023 despite the ongoing Russian aggression of Ukraine Astarta secured all operation activities.

Addressing significant challenges in the sphere of products logistics and, as a result, high cost of export, Astarta moved towards a more well-balanced crop acreage structure, significantly reducing the share of bulkiest crops such as corn and wheat. As a result, the Company harvested 6% y-o-y less grains and oilseeds equivalent of 788kt. At the same time effective commercial and logistics management allowed the Company to increase grain and oilseed sales 1.6x times y-o-y exceeding 1mt in 2023 out of which 796kt was exported to international markets.

The Company's sugar production increased by 34% y-o-y to 377kt reflecting 37% higher sugar beet processing volumes – 2.7mt. This allowed the Company to increase sugar sales by 26% y-o-y to 284kt out of which 50kt were exported (+69% y-o-y).

In the Soybean Processing ample supply of soybeans resulted in record year in terms of processed volumes of soybeans by the Company. Processing volume increased by 10% y-o-y to 232kt. Increase in processing volumes contributed to growth of soybean products sales by 20% y-o-y to 227kt out of which 180kt were exported (+20% y-o-y).

Efficient farm management and a balanced diet led to a 9% y-o-y increase in the daily average unit milk yield to a record 25.8kg/day at Astarta's farms. This, together with the 3% y-o-y growth of the milkable size of herd resulted in a 12% y-o-y higher milk production of 115kt in 2023. Sales volumes of raw milk increased by 13% y-o-y, to 111kt in 2023, of which 96% was of extra quality (previous year - 94%).

In 2023 on a back of solid production results Astarta's revenues increased by 21% y-o-y to EUR619m. The Company strengthened its positions in all of its key business segments: Agriculture revenues reached EUR240m, versus EUR180m in 2022, Sugar sales up by 28% y-o-y to EUR199m,

Soybean Processing generated EUR122m (flat y-o-y) and Cattle Farming – EUR43m (up by 10% y-o-y). Gross profit increased 8% to EUR224m mainly contributing from the Agriculture and the Sugar Production segments.

In 2023 Astarta developed and published decarbonisation strategy until 2030 which targets 44% GHG emission reduction from c.800k of CO_{2eq} 2022 Baseline on account of regenerative agriculture practises, energy efficiency and substitution of fossil fuels with renewable energy.

The Company also continued its largescale humanitarian activity. Common Help Ukraine project was co-founded by Astarta, united different businesses, international organizations, local communities to help people in need, nurture local entrepreneurship, create jobs for internally displaced people, improve psychological health, support domestic producers and the economy as a whole. The estimated total contribution from the project reached USD32m since its foundation.

In line with the Clause 6.4. of the Code of Best Practice, the Board of Directors performs its responsibilities on a continuous basis and the remuneration of the members of the Board of Directors does not depend on the number of meetings held.

Remuneration Committee

In line with Clauses B.1.1.-B.1.4. of the Cyprus Stock Exchange Corporate Governance Code, to avoid the potential conflicts of interest, the Board of Directors has set up a Remuneration Committee considering exclusively of Independent Non-Executive Directors (Messrs. Howard Dahl, Gilles Mettetal) to make recommendations to the Board, and the Board submits to the General Meeting's approval, the Executive Directors' level of remuneration and to determine on their behalf specific packages for each of the Executive Directors, including any compensation payments. The members of the Remuneration Committee have knowledge and experience in application of the Remuneration Policy. Additionally, the Remuneration Committee has access to professional advice inside and outside the Company.

Following the Clause B.1.6. of the Cyprus Stock Exchange Corporate Governance Code, the Remuneration Committee periodically reviews the Remuneration Policy.

Remuneration Policy

The Directors of the Company are remunerated according to the Remuneration Policy adopted on 28 May 2021 (the "Remuneration Policy"). Currently the Remuneration Policy is under review.

The Company shall not make any payments as remuneration to the members of the Board of Directors, whether annual payments, periodical payments/rewards, payments payable on a certain term, entitlements to profits, bonuses, or pension

payments, whether in cash or in kind, other than in accordance with the Remuneration Policy.

As ASTARTA HOLDING PLC is a holding company with all production assets in Ukraine the Executive Directors are involved in the operational processes on the ground. The operational management of the Company is carried out at the sub-holding level – by the management of LLC Firm “Astarta-Kyiv”. Therefore, the Company defines management remuneration - (i) for directors who do not take part in the operational management (the Non-Executive Directors), and (ii) for directors who take part in the operational management (the Executive Directors).

Total remuneration

The Remuneration Policy seeks to enable members of the Board of Directors to receive market competitive levels of remuneration. Following the Clause B.2.2. of the Cyprus Stock Exchange Corporate Governance Code, the Remuneration Committee compares the position of the Company and other companies in the agricultural industry and considers the relative performance. Hence, the Company uses principles regarding total remuneration that are competitive, comparable to and consistent with the practice in the agricultural industry on a comparable market, as well as in reasonable relation to the Company’s operating results.

Following the Clause B.2.7. of the Cyprus Stock Exchange Corporate Governance Code, members of

the Board of Directors who do not take part in a day-to-day operational activity of the Company can receive remuneration in the form of an annual fixed remuneration and are not entitled to any variable performance-related remuneration. Remuneration of Non-Executive Directors is not linked to the Company’s profitability.

Executive Directors who take part in a day-to-day operational activity of the Company, can receive remuneration package consisting of an annual fixed and variable remuneration. The Remuneration Committee performs scenario analysis to assess the impact that different performance levels will have on the total remuneration of the Executive Directors in amount of variable part.

Annual remuneration

Annual fixed remuneration is set by the Board of Directors upon recommendation of the Remuneration Committee. Annual fixed remuneration can be reviewed annually, without any commitment to increase, after adoption of the annual accounts.

On November 7, 2023, in accordance with the Remuneration Policy the Board of Directors approved the fixed annual remuneration of the Directors for the year 2023.

Members of the Board of Directors may be remunerated by the Company’s subsidiaries.

Remuneration of the Executive and Non-Executive Directors for reported financial years

all in EURk

Director’s position	Financial year	Fixed remuneration	Variable remuneration	Total remuneration
Chairman of the Board	2023	75	-	75
	2022	75	-	75
Other Non-executive Board members (combined)	2023	80	-	80
	2022	80	-	80
Executive Directors (combined)	2023	681	942	1 623
	2022	676	-	676
Total	2023	836	942	1 778
	2022	831	-	831

Additionally, expenses on the long-term incentive plan (“LTI”) for the year ended 31 December 2022 were accrued for Executive Directors in the amount of EUR 575 thousand. These expenses are not part of total 2022 remuneration in the table above. Expenses on the long-term incentive plan (“LTI”) for the year ended 31 December 2023 were not accrued for Executive Directors. Total remuneration including accrual for LTI for Executive Directors resulted in the amount of EUR1,623k for 2023 (2022: EUR1,251k).

Based on the Company’s Remuneration Policy a resolution of the Board of Directors was approved on 24 May 2023 to grant one of the Executive Directors with free of charge transfer of Company’s shares in

the quantity of 95,645 for achievement of the long-term incentive target. The shares were transferred in October 2023.

According to the mentioned Resolution of the Board of Directors one of the Executive Directors was also entitled to receive a free of charge transfer of Company’s shares in the quantity 124,755 for achievement of the long-term incentive target. Such transfer is yet to be performed.

Loans and guarantees

The Company does not grant loans, advance payments or guarantees to members of the Board of Directors or any family member of such persons.